

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON

In re:

NORTHWEST TERRITORIAL MINT,
LLC

Debtor

Case No. 16-11767-CMA
Chapter 11

**SUPPLEMENTAL DECLARATION OF
BILL ATALLA IN SUPPORT OF
MOTION FOR ALLOWANCE AND
PAYMENT OF ADMINISTRATIVE
EXPENSE CLAIM**

Bill Atalla hereby declares under penalty of perjury as follows:

1. Along with all the other employees of Northwest Territorial Mint, I was terminated effective December 29, 2017. This was the last working day of the calendar quarter. Shortly thereafter, the trustee rehired a skeleton crew. But all 113 employees were terminated on December 29.

2. During the year I worked as CEO of the debtor corporation, I was requested on several occasions to hold off cashing my paycheck to help with cash flow, which I agreed to. I was asked to do this again for my November 2017 check. When I finally got the check, it bounced. It took two weeks to resolve this. By this point, I was done deferring compensation. I never agreed to delay my last check, and in fact I asked for it many times. The trustee's response was "We don't have the money." If the trustee did not have enough money to meet the final payroll, he should have shut down the business earlier. If he did not have enough money to make the final payroll, how did he have enough money to hire the "skeleton crew" that continued to work into 2018?

3. During the entire time I was employed by the Mint, the operation was in crisis

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SUPPLEMENTAL DECLARATION - 1

1 mode. I never got a chance to take any vacation. When I went back to Southern
2 California for a day, I had to turn around and come right back to deal with the crisis.
3 Had I asked my supervisor, the trustee, for approval of 20 days vacation, he would
4 undoubtedly have refused it, because of the pressing demands of running the business.
5 The trustee cites the Mint's employment manual to the effect that there is no "cash-out"
6 for vacation pay. Nevertheless, the bookkeeper for the Mint appears to have calculated
7 some \$391.33 of accrued vacation pay owed to me, as listed on the December 2017
8 monthly operating report. While the number is inaccurate, as shown by my
9 employment agreement, the principal of a cash-out of vacation pay is shown.

10 4. I believe I am entitled to my full severance pay, because I was terminated on
11 the last working day of the calendar quarter. In deciding whether to accept the trustee's
12 offer of employment as CEO of the Mint, I considered the fact that the company was
13 some \$60 million in debt, that I would have to move from California to Nevada and
14 work full-time and more to turn the operation around. My severance package was
15 intended to compensate me for this additional risk.

16 5. Starting immediately after December 29, 2017, in fact that very weekend, the
17 trustee was in constant contact with me asking me to continue my efforts to find a buyer
18 and close a sale of the business as a going concern. I considered this to be simply an
19 extension of my employment as CEO, but on different terms: as a consultant, rather than
20 as a regular employee. I had no idea that the trustee would later claim he did not intend
21 to, or have adequate authority to, employ me as a professional on behalf of the estate.

22 6. I did not render additional services after my termination solely as a volunteer
23 and solely for my own benefit. I did so to save the jobs of the 113 employees who had
24 been laid off, and to salvage some value for creditors. I did not have an agreement for
25 future employment with any prospective purchaser. To say nothing resulted as the

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28 SUPPLEMENTAL DECLARATION - 2

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1 outcome has nothing to do with the effort expended. My hourly rate for these services
2 is the same as the trustee's hourly rate. My experience and expertise in the relevant
3 industry being greater than the trustee's, this is a bargain for the estate.

4 Dated: May 15, 2018

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6 /s/ Bill Atalla
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28 SUPPLEMENTAL DECLARATION - 3

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